

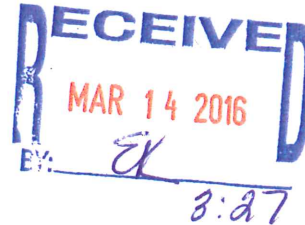


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March 14, 2016

VIA HAND DELIVERY

Mr. Byron L. Diamond
Director of Administrative Services
Room 1315
State Capitol
P.O. Box 94664
Lincoln, NE 68509-4664



RE: Protest by AmeriHealth Nebraska, Inc. d/b/a Arbor Health Plan relating to Request for Proposal (RFP) 5151Z1 – Initial Intent to Award dated February 5, 2016

Dear Director Diamond:

By letter dated February 19, 2016 (the "Protest"), AmeriHealth Nebraska, Inc. d/b/a Arbor Health Plan ("Arbor Health") timely protested the State of Nebraska's intent to award contracts as posted February 5, 2016 in connection with the above-referenced RFP (the "Award"). Nebraska Department of Administrative Services – Materiel Division Administrator Marilyn Bottrell ("Administrator Bottrell") responded to Arbor Health's Protest by letter dated March 1, 2016 (the "Response"). The Response indicated that State Purchasing Bureau ("SPB") was in the process of rescinding the Award pursuant to a Notice of Withdrawal of Intent to Award dated February 29, 2016 (the "Withdrawal").

SPB has apparently taken the position that having the Corporate Overview section of the RFP re-scored by new evaluators (the "Rescoring") and issuing a new Intent to Award dated March 8, 2016 (the "New Award") cured any defects in the RFP and scoring criteria. We do not concur with SPB's position. In performing the Rescoring, the new evaluators adhered to a new and different set of scoring criteria than was established with the RFP and failed to address other significant deficiencies in the review and award process.

We understand SPB's position may be that the Protest became moot upon its implementation of the Rescoring and issuance of the New Award. However, neither the Response, the Withdrawal, nor the Rescoring has satisfied Arbor Health's grievance as set forth in the Protest. In accordance with Nebraska Administrative Services Materiel Division – State Purchasing Bureau Standard Protest/Grievance Procedures for Vendors, this letter will serve as Arbor Health's request (this "Request") for a meeting with you and the Materiel Division Administrator (the "Meeting") regarding the Protest and Response. To the extent SPB's position is that the Protest is moot, Arbor Health intends this Request as a protective election, maintaining its interests and rights under the Protest.



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This Request relates solely to Arbor Health's Protest of the initial Award. Arbor Health explicitly reserves its right to protest the New Award and will take whatever steps it deems necessary and appropriate in this regard.

Arbor Health is awaiting responses from the Nebraska Department of Health and Human Services ("DHHS") to multiple document requests. Arbor Health requests that the Meeting be held after it has received full responses to all document requests made to DHHS and any additional requests made to DAS and had ample time to review and analyze such responses.

The specific issues to be addressed at the Meeting are as follows: (1) the Rescoring was contrary to Nebraska law and did not remedy the legal deficiencies in the RFP and scoring process; (2) the statutory and regulatory factors required to be considered in awarding contracts under the RFP have not been properly considered; (3) even if the scoring criteria had allowed for the proper considerations and been properly implemented from the outset, the lack of proper control and oversight over the scoring process resulted in an arbitrary award. As a result of these issues, the Award was not to the "lowest responsible bidder" and was contrary to Nebraska law. Arbor Health reserves the right to amend and/or supplement this Request and the issues set forth herein in light of its continuing review of the responses to its pending document requests, as referenced above.

The points of contact for purposes of this Request and the underlying Protest are Thomas J. Culhane and William T. Foley, Erickson | Sederstrom, P.C., L.L.O., 10330 Regency Parkway Drive, Suite 100, Omaha, Nebraska 68114. You may also call Mr. Culhane or Mr. Foley at 402-397-2200 or e-mail them at tculh@eslaw.com and wfoley@eslaw.com, respectively.

Sincerely,

A handwritten signature in blue ink that reads "J. Michael Jernigan". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

J. Michael Jernigan
President

JMJ:kab